

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2009

NOTE 1 - BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards is prepared on the same basis of accounting as the county's financial statements. The county uses accrual basis of accounting for all funds except governmental funds, which use the modified accrual basis of accounting.

NOTE 2 - PROGRAM COSTS

The amounts shown as current year expenditures represent only federal grant portions of the program costs. Entire program costs, including the county's portion, may be more than shown.

NOTE 3 - REVOLVING LOAN - PROGRAM INCOME

Note 3 was not applicable for year 2009.

NOTE 4 - NOT AVAILABLE (N/A)

The county was unable to obtain another identification number.

NOTE 5 - NONCASH AWARDS - VACCINATIONS

The amount of vaccine reported on the schedule is the value of vaccine received and distributed by the county during the year and priced as prescribed by the Washington Department of Health.

NOTE 6 - NONCASH AWARDS - EQUIPMENT

Note 6 was not applicable for year 2009.

NOTE 7 - UNDER-REPORTED 2008 EXPENDITURES

These amounts include expenditures that were incurred during the last quarter of 2008, but were erroneously omitted, causing the 2008 Schedule of Expenditures of Federal Awards to be under reported by \$11,215. We believe this amount to be immaterial with regard to the whole of the Financial Statements.

NOTE 8 - MEDICAL ASSISTANCE PROGRAM

Reimbursement for contract #0563-75731 is based on expenditures occurring during the third and fourth quarters of 2008. Due to the length of time needed to prepare the billing information, the amount of expenditures associated with the third and fourth quarters of 2008 were not determined in time to be included in the 2008 Financial Statements.

NOTE 9 - AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) OF 2009

Expenditures for this program were funded by ARRA.

NOTE 10 - INDIRECT COST RATE

The amount expended includes \$0 claimed as an indirect cost recovery using an approved indirect cost rate.

The amount expended for "Child Support Enforcement" (CFDA 93.563) includes \$5,576 from Contract Number 75-1501-0-1-609, \$2,486 from Contract Number 0763-15018, and \$17,898 from Contract Number 2110-81382 claimed as an indirect cost recovery using an indirect cost rate of 14.75% as certified by the Board of County Commissioners on May 5, 2003 through Resolution #03-187. The amount expended also includes \$1,494 from Contract Number 75-1501-0-1-609, \$408 from Contract Number 0763-15018, and \$4,539 from Contract Number 2110-81382 claimed as an indirect cost recovery using an indirect cost rate of 12.12% as certified by the Board of County Commissioners on September 28, 2009 through Resolution #09-331.

The amount expended for "Medical Assistance Program" (CFDA 93.778) includes \$4,878 from Contract Number 0966-53186 and \$5,914 from Contract Number 0563-75731 claimed as an indirect cost recovery using an indirect cost rate of 14.75% as certified by the Board of County Commissioners on May 5, 2003 through Resolution #03-187.

The amount expended for "ARRA - Homelessness Prevention and Rapid Re-Housing Program" (CFDA 14.257) includes \$3,278 claimed as an indirect cost recovery using an indirect cost rate of 12.12% as certified by the Board of County Commissioners on September 28, 2009 through Resolution #09-331.

The amounts expended for "Supportive Housing Program", "State Administrative Matching Grants for the Supplemental Nutrition Assistance Program", "Housing Opportunities for Persons with AIDS (A,B)", and "HIV Care Formula Grant" include \$9,879 claimed as an indirect cost recovery using various indirect cost rates as authorized per grant agreements.

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For The Year Ended December 31, 2009

NOTE 11 - AMOUNTS AWARDED TO SUBRECIPIENTS

Included in the total amount expended for "Schools and Roads" (CFDA number 10.665) is \$409,238, which was passed through to subrecipients that administered their own projects. This amount includes both current and prior year Title III funds.

Included in the total amount expended for "Community Development Block Grants" (CFDA number 14.228) is \$89,850 from Contract Number 07-64007-020 that was passed through to subrecipients that administered their own projects.

Included in the total amount expended for "Emergency Shelter" (CFDA number 14.231) is \$17,503 from Contract Number 08-46106-40, \$39,425 from Contract Number 10-46000-220, that was passed through to subrecipients that administered their own projects.

Included in the total amount expended for "Supportive Housing Program" (CFDA number 14.235) is \$62,466 from Contract Number WA01B701007, and \$28,483 from Contract Number WA0091B0T010801 that was passed through to subrecipients that administered their own projects.

Included in the total amount expended for "ARRA - Homelessness Prevention and Rapid Re-Housing Program" (CFDA number 14.257) is \$51,267 from Contract Number 10-46111-616 that was passed through to subrecipients that administered their own projects.

Included in the total amount expended for "Juvenile Mentoring Program" (CFDA number 16.726) is \$100,570 from Contract Number 2008-JU-FX-0026 that was passed through to subrecipients that administered their own projects.

Included in the total amount expended for "Prevention/Treatment of Substance Abuse " (CFDA number 93.959) is \$164,262 from Contract Number 0763-20321 and \$32,036 from Contract Number 0963-68047 that was passed through to subrecipients that administered their own projects.

NOTE 12 - Commingled Funding Source

Lewis County received pass-through funding from Cowlitz-Wahkiakum Council of Governments. This funding was a portion of funds received by Cowlitz-Wahkiakum Council of Governments from Washington State Department of Transportation through contract GCA 5275. Contract GCA 5275 was funded through both federal and state sources, although the contract did not specify the presence of state funding. When the funding was provided to Lewis County, the source of the funding was not able to be determined due to the commingled nature of the funds. As a result, the full amount received from the grant has been reported on the Schedule of Expenditures of Federal Awards.